

CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

Small Business Assistance Fund (SBAF) Policy Effective January 1, 2009

	Policy								
1.	<p>Must meet the size standards set forth in Title 13 of the code of Federal Regulations.</p> <p>or</p> <p>Must be an eligible small business, which is defined as 500 employees or less, including affiliates.</p>								
2.	Large businesses pay 1 percent of face value of tax-exempt bonds and/or 0.3 percent of taxable bonds to fund SBAF. Small businesses are not required to pay into SBAF.								
3.	<p>Subsidize bonds up to \$13.75 million.</p> <table> <tr> <th><u>Par Amount</u></th><th><u>Maximum SBAF Subsidy</u></th></tr> <tr> <td>≤ \$5m</td><td>\$130,000 + (1.6% x par)</td></tr> <tr> <td>\$5m to \$13.75m</td><td>\$130,000 + (1.6% x par) -[(par-\$5m) x 4%]</td></tr> <tr> <td>> \$13.75m</td><td>\$0</td></tr> </table>	<u>Par Amount</u>	<u>Maximum SBAF Subsidy</u>	≤ \$5m	\$130,000 + (1.6% x par)	\$5m to \$13.75m	\$130,000 + (1.6% x par) -[(par-\$5m) x 4%]	> \$13.75m	\$0
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4.	SBAF recipients must apply a minimum of 2 percent of bond proceeds to Cost of Issuance before they are eligible for SBAF assistance.								
5.	<p>Upon expenditure of the 2 percent of bond proceeds, recipient becomes eligible for SBAF assistance up to following formula amount, at Authority discretion:</p> <table> <tr> <th><u>Par Amount</u></th><th><u>Maximum SBAF Subsidy</u></th></tr> <tr> <td>≤ \$5m</td><td>\$130,000 + (1.6% x par)</td></tr> <tr> <td>\$5m to \$13.75m</td><td>\$130,000 + (1.6% x par) -[(par-\$5m) x 4%]</td></tr> <tr> <td>> \$13.75m</td><td>\$0</td></tr> </table>	<u>Par Amount</u>	<u>Maximum SBAF Subsidy</u>	≤ \$5m	\$130,000 + (1.6% x par)	\$5m to \$13.75m	\$130,000 + (1.6% x par) -[(par-\$5m) x 4%]	> \$13.75m	\$0
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6.	Eligible Costs are limited to bond counsel, underwriter, underwriter counsel, trustee, trustee counsel, rating agency, printing, CPCFA Feasibility study, bank credit enhancement, including first year LOC fees, STO Agent For Sale, financial advisor, borrowers counsel, CDLAC and CDIAC fees.								